



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 20, 2006

H.R. 5418

A bill to establish a pilot program in certain United States district courts to encourage enhancement of expertise in patent cases among district judges

As ordered reported by the House Committee on the Judiciary on September 13, 2006

SUMMARY

H.R. 5418 would authorize the appropriation of \$5 million per year to create a pilot program within the federal court system to increase the expertise of district judges presiding over patent and plant variety protection cases. CBO estimates that implementing H.R. 5418 would cost \$23 million over the 2007-2011 period, subject to appropriation of the necessary amounts. Enacting H.R. 5418 would have no effect on direct spending or revenues.

H.R. 5418 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no direct costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of the bill is shown in the following table. The cost of this legislation falls within budget function 750 (administration of justice).

	By Fiscal Year, in Millions of Dollars				
	2007	2008	2009	2010	2011
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	5	5	5	5	5
Estimated Outlays	4	4	5	5	5

BASIS OF ESTIMATE

Assuming that H.R. 5418 is enacted near the beginning of fiscal year 2007 and that the authorized amounts will be appropriated for each year, CBO estimates that implementing this bill would cost \$4 million in 2007 and \$23 million over the 2007-2011 period.

H.R. 5148 would authorize the appropriation of \$5 million per year to educate judges who accept patent and plant variety protection cases. Appropriated amounts could also be used to hire additional staff with expertise in such matters. The bill would direct the Administrative Office of the U.S. Courts to establish a pilot program, in at least five U.S. district courts, that would allow judges to request cases involving alleged violations of patent or plant variety protection law. CBO estimates that this procedural change would have no significant effect on the federal budget.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 5418 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs: Daniel Hoople

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Paige Piper/Bach

ESTIMATE APPROVED BY:

Robert A. Sunshine

Assistant Director for Budget Analysis